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EXAMINER

O'CONNOR, GERALD J

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## **DETAILED ACTION**

### ***Preliminary Remarks***

1. This Office action responds to the amendment and arguments filed by applicant on June 8, 2007, and to the corrected drawings filed by applicant on June 27, 2007, both in reply to the previous Office action on the merits, mailed February 8, 2007.
2. The amendment of claims 1-4, 6, 14, 16, 17, 30, and 31 by applicant, in the reply filed on June 8, 2007, is hereby acknowledged.
3. The cancellation of claims 13, 15, and 21 by applicant, in the reply filed on June 8, 2007, is hereby acknowledged.

### ***Election/Restriction***

4. Claims 22-29 and 32 remain withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a non-elected invention, there being no allowable generic or linking claim. Election was made **without** traverse in the reply filed November 16, 2006.

### ***Drawings***

5. The corrected or substitute drawings were received on June 27, 2007. These drawings are acceptable.

***Claim Rejections - 35 USC § 101***

6. The following is a quotation of 35 U.S.C. 101:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

7. To be considered statutory, claimed subject matter requires four things<sup>1</sup>:

(1) the claimed subject matter *must* lie within the ambit of the *four classes* of statutory subject matter enumerated in 35 U.S.C. 101, those being any new and useful *process, machine, manufacture, or composition of matter*;

(2) the claimed subject matter *must not* fall within any of the *three categories* of statutory subject matter *exceptions* enumerated by the courts, those being, *in the absence of any practical application: abstract ideas, laws of nature, and natural phenomena*;

(3) any *practical application* of one of the three *otherwise nonstatutory* categories of exceptions *must not preempt* the underlying abstract ideas, laws of nature, or natural phenomena by foreclosing others from *substantially all other practical applications* of the *same* abstract ideas, laws of nature, or natural phenomena; *and*,

(4) any *practical application* of one of the three *otherwise nonstatutory* categories of exceptions *must* be evidenced in at least one of two possible ways:

(a) by transforming an article or physical object to a different state or thing; or,

(b) by otherwise producing any useful, concrete, and tangible result.

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<sup>1</sup> *Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility*, published by order of the Commissioner for Patents, available in pdf format online on the Internet at: [http://www.uspto.gov/web/offices/pac/dapp/opla/preognotice/guidelines101\\_20051026.pdf](http://www.uspto.gov/web/offices/pac/dapp/opla/preognotice/guidelines101_20051026.pdf).

8. Claims 1-12, 14, 16-20, 30, and 31 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Method claims 1-12, 14, 16-20, 30, and 31 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Method claims 1-12, 14, 16-20, 30, and 31 fail to satisfy the fourth, and thus the second, requirements for statutory subject matter eligibility because they are considered to be drawn merely to the production and/or manipulation of non-functional descriptive material, effecting no “useful, concrete, and tangible result.” It has been held that such claims, even if the non-functional descriptive material is claimed in combination with a computer-readable medium, are considered to comprise non-statutory subject matter, for merely manipulating an abstract idea. *In re Lowry*, 32 USPQ2d 1031 (Fed. Cir. 1994).

Moreover, method claims 1-12, 14, 16-20, 30, and 31 fail to satisfy the third requirement for statutory subject matter eligibility because they are considered to *preempt* the underlying abstract idea, since they would foreclose others from *substantially all practical applications* of the *same* abstract idea. It has been held that such claims are considered to be unpatentable for comprising non-statutory subject matter. *In re Schrader*, 22 F.3d 290, 295; 30 USPQ2d 1455, 1459 (Fed. Cir. 1994).

***Claim Rejections - 35 USC § 102***

9. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in-

(1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or

(2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a).

10. Claims 14, 18-20, and 31 are rejected under 35 U.S.C. 102(a) as being anticipated by the admitted prior art, as depicted in Figure 1 and described in the written specification, including the content of Kosiba et al. (US 6,098,052), incorporated therein by reference.

The admitted prior art includes a computer-implemented method for increasing collections from a set of debt comprising: segmenting debt into at least one set according to a plurality of characteristics of debtors associated with the debt; determining a collection model for the at least one set of debt; determining a duration of working of the at least one set of debt; determining an approximate cost of debt collection; and selecting a compensation package from

a plurality of compensation packages (percentage/commission rates) payable to a collection entity for the set of debt in accordance with the approximate cost of debt collection, the duration of working, and the collection model of the at least one set of debt; wherein, the selecting a compensation package selects one or more of a fixed profit package, a single commission rate package, and a plural commission rate package.

Regarding claim 18, in the method of the admitted prior art, the selecting a compensation package increases an amount of money collected from the set of debt.

Regarding claim 19, in the method of the admitted prior art, the selecting a compensation package substantially maximizes a profitability for an owner of the set of debt.

Regarding claim 20, the method of the admitted prior art further comprises determining a compensation package cost associated with each of the plurality of compensation packages, wherein the selecting a compensation package substantially maximizes amount of money collected from the set of debt less the compensation package cost.

### ***Claim Rejections - 35 USC § 103***

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 1-12, 16, 17, and 30 are rejected under 35 U.S.C. 103(a) as being unpatentable over the admitted prior art, as depicted in Figure 1 and described in the written specification, including the content of Kosiba et al. (US 6,098,052), incorporated therein by reference.

The admitted prior art includes a method for increasing collections from a set of debt, as applied above in the rejection of claims 14, 18-20, and 31 under 35 U.S.C. 102(a), but the admitted prior art includes selecting only one single percentage/commission rate for any given set of debt, rather than setting multiple percentage/commission rates as claimed. However, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have modified the method of the admitted prior art so as have set plural commission rates payable to a collection entity for the set of debt, rather than merely setting a given single rate, in order to provide additional incentive to the collection agency to collect the debt, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results, and since it has been held that mere duplication of the essential working parts of a device involves only routine skill in the art. *St. Regis Paper Co. v. Bemis Co.*, 193 USPQ 8.

Further details of the dependent claims would all be either inherent in the described combination/modification, or else self-evident or well known, hence obvious, to one of ordinary skill in the art, such that it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have made any necessary modifications, merely as a matter of design choice, since so doing could be performed by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

***Response to Arguments***

13. Applicant's arguments filed June 8, 2007 have been fully considered but they are not deemed persuasive.

14. Regarding the argument concerning the methods being either "computer-implemented" or by "using a computer," the recitations of "computer-implemented" and "using a computer" have not been given patentable weight because the recitations occur in the preambles. A preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or structural limitations are able to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951).

15. Regarding the arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

For example, an argument that Kosiba et al. fail to disclose setting plural commission rates payable to a collection entity for the set of debt is utterly non-responsive to the rejection under 35 U.S.C. 103(a), which plainly admits and addresses the argued omission.



16. To the extent that applicant is arguing that the references fail to show certain features of applicant's invention (e.g., either being "computer-implemented" or else being performed by "using a computer"), it is noted that although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

17. To the extent that applicant is arguing that the references applied in the rejection fail to use the same names for certain elements as the names used by applicant, the argument is irrelevant, as it is noted that the disclosure in a reference must show the claimed elements arranged in the same manner as in the claims, but *need not be in the identical words* as used in the claims in order to be anticipatory. See *In re Bond*, 15 USPQ2d 1566 (Fed. Cir. 1990). Additionally, note that, during patent examination, the pending claims must be interpreted as broadly as their terms reasonably allow. See *In re Zletz*, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989).

18. To the extent that applicant is arguing that the disclosure in the applied prior art is not in as complete detail as is recited by the instant claims, a reference anticipates a claim if it discloses the claimed invention such that a skilled artisan could take its teachings *in combination with his own knowledge* of the particular art and be in possession of the invention. *In re Graves*, 36 USPQ2d 1697 (Fed. Cir. 1995); *In re Sasse*, 207 USPQ 107 (CCPA 1980); *In re Samour*, 197 USPQ 1 (CCPA 1978).

***Conclusion***

19. The prior art made of record and not relied upon is considered pertinent to the disclosure.

20. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

21. Any inquiry concerning this communication, or earlier communications, should be directed to the examiner, **Jerry O'Connor**, whose telephone number is **(571) 272-6787**, and whose facsimile number is (571) 273-6787.

Official replies to this Office action may now be submitted electronically by registered users of the EFS-Web system. Information on EFS-Web tools is available on the Internet at: <http://www.uspto.gov/ebc/portal/tools.htm>. An EFS-Web Quick-Start Guide is available at: <http://www.uspto.gov/ebc/portal/efs/quick-start.pdf>.

Alternatively, official replies to this Office action may still be submitted by any *one* of fax, mail, or hand delivery. **Faxed replies should be directed to the central fax at (571) 273-8300.** Mailed replies should be addressed to “Commissioner for Patents, PO Box 1450, Alexandria, VA 22313-1450.” Hand delivered replies should be delivered to the “Customer Service Window, Randolph Building, 401 Dulany Street, Alexandria, VA 22314.”

GJOC

January 10, 2008

/Gerald J. O'Connor/  
Primary Examiner  
Group Art Unit 3627